

### REMARKS

This Amendment is in response to the Office Action of February 9, 2006 which was corrected and remailed March 9, 2006 in which the Examiner made certain technical objections to the claims. The Examiner also rejected the claims over Shavit U.S. Patent No. 4,799,156 in view of Shkedy U.S. Patent No. 6,260,024.

Applicant's representative wishes to thank the Examiner for an opportunity to discuss the various objections and rejections set forth in the Office Action during a telephone conference conducted February 16 and March 27, 2006. During the discussion, the Examiner indicated that the features for producing a tradeable financial instrument as outlined in the paragraph bridging pages 12 and 13 of the specification would appear to distinguish the invention from the cited art.

Applicant has amended the claim to recite that those things which make the instrument tradeable are the forms of insurance which give buyers confidence that such instruments will be paid. An instrument is not merely pronounced as "tradeable". What makes it tradeable is the fact that the payment by the buyer is guaranteed by insurance; the acceptance of the goods by the buyer is guaranteed by insurance; and protection from fraud is insured. This means that the underlying transaction is not relevant as to whether the funds will be paid. In other words, there are no defenses, in the legal sense, to payment of the instrument. If something goes wrong between the buyer and seller, that is for the insurance carriers to work out, but the buyer of the account will get paid no matter what.

The Examiner's objection to the term "tradeable" is respectfully traversed. The term is defined in the specification as set forth on pages 12-13. That is, the thing which makes the instrument tradeable is the underlying guarantee that there will not be any way for the transaction to fail as a result of any breach of contract, because the buyer's acceptance of the goods is guaranteed by insurance; the buyer's payment is guaranteed by insurance; and

protection from fraud is guaranteed by insurance. These attributes make the instrument tradeable, because purchasers for the instrument have no fear that some problem with the underlying transaction will cause the instrument to be dishonored.

The Examiner agreed that this is not found in the art of record.

It is therefore respectfully requested that the Examiner reconsider his rejection of the claims the allowance of which is earnestly solicited.

If additional fees are required the Director is authorized to charge Deposit Account 04-2223 or credit any overpayment thereto.

Respectfully submitted,

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By:



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